RETI PHASE 2A DRAFT REPORTCONCEPTUAL TRANSMISSION PLAN ITS PURPOSE AND LIMITATIONS AND THE MANY NEXT STEPS

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The Phase 2A Report's primary function was limited to the development of a conceptual transmission plan for accessing potential resources. Besides additional RETI work, there are <u>many</u> steps beyond this plan to the construction of a transmission project:

- Detailed studies by ISO or POUs with development of routing and alternatives
- Project specific permitting and environmental review
- Additional environmental permitting and final engineering
- Construction and mitigation compliance

WHAT DOES THE PLAN DO?

- ☑ Based on RETI mandate identifies additional transmission capacity to access and deliver renewable energy to meet state goals in 2020
- ☑ Evaluates relative value of potential lines for accessing and delivering renewable energy
- ☑ Identifies potential transmission network lines for further detailed study by CAISO or POUs

WHAT DOES THE PLAN DO?

- ☑ Located most conceptual lines in existing rights of way and/or designated utility corridors
- ☑ Provides high level of environmental screening

THE PLAN DOES NOT:

- Include precise routing of lines
- Preclude study of other areas with renewable potential
- ✗ Provide a determination of need or information about power flows, congestion, or reliability
- Determine ability of existing system to accommodate flows of new renewable generation
- Provide any required environmental impact assessment for a specific project or its approval

NEXT STEPS

- 1. FUTURE RETI WORK
 - Finalize Phase 2A report
 - Prioritize and reduce number of line segments
 - Eliminate redundant lines
 - Adjust plan as necessary with results of Desert Renewable Energy Conservation Plan (DRECP) due the end of 2010
 - Identify short term measures to get renewables on grid in next few years
 - Support Phase 3 studies recommended at CAISO and POUs

2. CAISO/POU STUDIES

- Submit proposed projects for detailed study to the CAISO or POU transmission planners
- Prepare plans of service
- Conduct power flow analysis to determine whether project is needed and can be added to grid without compromising system reliability
- ✓ Use production cost models to evaluate how proposal affects cost of power to generators and consumers across entire grid and affect fuel consumption and emissions

 Projects showing net benefits and maintain or enhance system reliability presented to POU governing boards or CAISO Board of Directors for approval

3. PERMITTING AND ENVIRONMENTAL REVIEW

- Regulated utilities file CPCN or PTC application with CPUC along with PEA or Proponent's Environmental Assessment
- Environmental Review is conducted requiring preparation of EIR or joint EIR/EIS with public review and participation requirements

- In parallel process a general proceeding on need and cost is conducted by ALJ and Assigned Commissioner with prehearing conferences, evidentiary hearings, and preparation of testimony
- CPUC must vote yes or no on project or an alternative; and if applicable a Record of Decision (ROD) with a federal co-lead agency such as USFS and/or BLM may also be required for approval
- NOTE: POUs would have to follow a similar environmental review and public process

- 4. A PROJECT APPROVAL IS PRECEDED BY MORE PERMITTING AND CONSTRUCTION AND MITIGATION COMPLIANCE
 - Additional permits required from USFWS, ACOE, DFG, and other responsible agencies such as air districts, RWQCBs, CALTRANS etc.
 - Further Native American consultation that started at application filing
 - Final engineering and any land acquisition
 - Construction and mitigation measure monitoring and compliance

